

**OFFICES OF THE
STATE AUDITOR OF MISSOURI
JEFFERSON CITY**

DEPARTMENT OF PERSONNEL
CITY OF ST. LOUIS, MISSOURI
YEAR ENDED APRIL 30, 1987

MARGARET KELLY, CPA



DEPARTMENT OF PERSONNEL
CITY OF ST. LOUIS, MISSOURI

TABLE OF CONTENTS

	<u>Page</u>
STATE AUDITOR'S TRANSMITTAL LETTER.....	1-2
HISTORY AND ORGANIZATION.....	3-6
MANAGEMENT ADVISORY REPORT.....	7-18
SUMMARY OF FINDINGS	8-9
APPENDICES:	19

<u>Appendix</u>	<u>Description</u>	
A	Schedule of Appropriations, Expenditures, and Lapsed Balances - General Fund, Year Ended April 30, 1987	20
B	Comparative Schedule of General Fund Expenditures, Five Years Ended April 30, 1987.....	21
C	Comparative Schedule of Administrative Costs - City Group Health Care Plan, Five Years Ended April 30, 1987	22



STATE AUDITOR OF MISSOURI

JEFFERSON CITY, MISSOURI 65102

MARGARET KELLY, CPA
STATE AUDITOR

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Honorable Vincent C. Schoemehl Jr., Mayor
and
William C. Duffe, Director of Personnel
City of St. Louis, Missouri 63103

The State Auditor was petitioned under Section 29.230, RSMo 1986, to perform an audit of the city of St. Louis, Missouri. Accordingly, we have conducted an audit of the Department of Personnel, city of St. Louis, for the year ended April 30, 1987. The purposes of our examination were to:

1. Study and evaluate the Department of Personnel system of internal controls.
2. Perform a limited review of certain management practices to determine the efficiency and effectiveness of those practices.
3. Review probable compliance with certain constitutional provisions, statutes, administrative rules, attorney general's opinions, and city ordinances as we deemed necessary or appropriate.
4. Perform a limited review of the integrity and completeness of the Department of Personnel financial reporting system.
5. Perform procedures deemed necessary to evaluate petitioner concerns.

Our review was made in accordance with generally accepted government auditing standards and included such procedures as we considered necessary in the circumstances. In this regard, we reviewed the Department of Personnel financial records, payroll procedures and documents, expenditures, contractual agreements, and other pertinent procedures and documents; interviewed personnel of the Department of Personnel and compiled the information in the appendices from the records and reports of the Department of Personnel. The data presented in the appendices were obtained from the city's accounting system. However, they were not verified by us via additional audit procedures and, therefore, we express no opinion on them.

The accompanying History and Organization is presented for informational purposes. This background information was obtained from office management and was not subject to the audit procedures applied by us in our examination.

Our comments on management practices and related areas are presented in the accompanying Management Advisory Report.

A handwritten signature in cursive script that reads "Margaret Kelly". The signature is written in black ink and is positioned above the typed name.

Margaret Kelly, CPA
State Auditor

January 14, 1988

HISTORY AND ORGANIZATION

**DEPARTMENT OF PERSONNEL
CITY OF ST. LOUIS, MISSOURI
HISTORY AND ORGANIZATION**

The Department of Personnel of the city of St. Louis is responsible for providing all human resource management functions for the city. The director's office coordinates the work of the following seven divisions:

1. Classification and Compensation

The two primary responsibilities for this section are the classification of the approximately 4,500 positions in the city's classified service and the preparation and administration of the city's compensation ordinance.

2. Examination

This section is responsible for job recruitment activities, examination development and validation, and examination administration for all positions under the City Civil Service System. The department by charter is required to follow traditional merit system procedures for filling positions.

3. Employee Development

This section offers general supervisory training programs, individual skills-building sessions, and provides organizational development intervention and individual help and assistance as requested. Needs are identified through a biannual training needs survey.

4. Employee Relations

This section handles labor relations, workers' compensation, employee grievances, service rating appeals, employee assistance programs, and suggestion awards for approximately 4,500 city civil service workers.

5. Employee Benefits

This section administers the city's retirement plan to approximately 4,000 retired city workers, as well as the health care insurance plans, life insurance, deferred compensation, and dental, legal, and accidental death and dismemberment programs for all city workers, both civil service and nonmerit offices (about 5,500 employees).

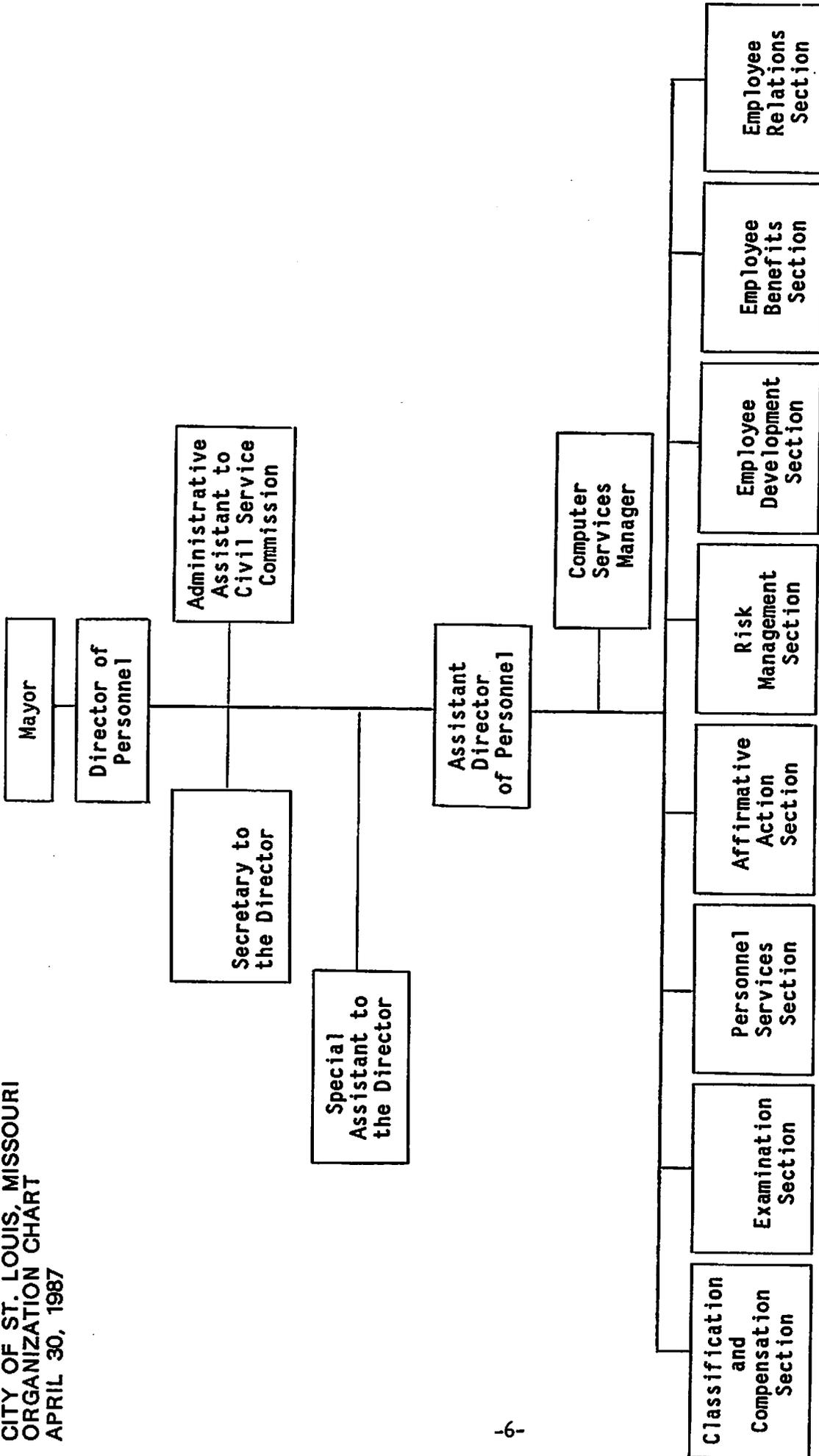
6. Personnel Services

This section of the department maintains the official personnel records of all city workers and oversees and records all personnel transactions. This section also maintains the list of eligible candidates for city jobs and certifies those eligibles to appointing authorities for selection. They insure that service ratings are completed and recorded for each city worker, prepare layoff lists in accordance with civil service rules during periods of retrenchment, and oversee the city's Safety Program.

7. Affirmative Action

This section develops, adjusts, implements, and coordinates the city's Equal Employment Opportunity/Affirmative Action Program. They process complaints from city workers who have appealed from adverse actions they believe violated the city's antidiscrimination guidelines, as well as coordinating the city's investigative efforts on appeals processed through the Equal Employment Opportunity Commission, Missouri Commission on Human Rights, or other federal or state agencies. In other than a reactive way, they coordinate the city's Affirmative Action Plan, designed to address the conditions which cause discriminatory behavior.

DEPARTMENT OF PERSONNEL
 CITY OF ST. LOUIS, MISSOURI
 ORGANIZATION CHART
 APRIL 30, 1987



Subsequent to April 30, 1987, operations of the Risk Management and Employee Relations Sections have been combined.

MANAGEMENT ADVISORY REPORT

DEPARTMENT OF PERSONNEL
CITY OF ST. LOUIS, MISSOURI
SUMMARY OF FINDINGS

1. Provisional Appointments (pages 11-12)

- A. The department made a provisional appointment to a position for which an eligible candidate list was available in violation of Rule VII, Section 6.(a) of the city of St. Louis Civil Service Rules.
- B. The department did not administer competitive examinations to provisional employees within sixty days of appointment, as required by civil service rules and the city charter.

2. Incentive Programs (pages 12-13)

The department awarded a cash bonus to an employee for recruiting an applicant for a targeted position prior to the applicant completing the probationary work period. The applicant failed to complete the probationary period.

3. Payroll Accounting Procedures (pages 13-14)

- A. Payroll procedures were improperly segregated.
- B. No total current sick leave balance was maintained because the individual sick leave balances were only updated when an individual took sick leave.

4. Moving Expense Reimbursements (page 14)

The department did not have a detailed written policy regarding moving expense reimbursements.

5. Employee Assistance Contract (page 15)

The department has not requested bids for the employee assistance program contract since 1981.

6. Medical Care Plan Controls (pages 15-18)

- A. The department did not require the third-party administrator (TPA) to perform complete bank reconciliations for the bank account established to pay claims.
- B. The department did not require the TPA to maintain adequate collateral security for funds deposited into the bank account established to pay claims.
- C. The bank account established by the TPA to pay claims was not interest-bearing. The department could have earned at least \$12,000 during fiscal year 1987 if the account had been interest-bearing.

D. The department did not adequately monitor the claims paid by the TPA.

7. City Health Care Plan Transition (page 18)

The department did not properly handle the transition from the self-funded health care plan to the third-party provider arrangement in May 1988.

**DEPARTMENT OF PERSONNEL
CITY OF ST. LOUIS, MISSOURI
MANAGEMENT ADVISORY REPORT**

As part of our examination of the Department of Personnel, city of St. Louis, for the year ended April 30, 1987, we studied and evaluated the internal accounting control system to the extent needed to evaluate the system as required by generally accepted government auditing standards. For the purpose of this report, we have classified the significant internal accounting controls as cash, payroll, revenues, and expenditures. Our study included each of these control categories. Since the purpose of our study and evaluation was to determine the nature, timing, and extent of our audit procedures, it was more limited than would be needed to express an opinion on the internal accounting control system taken as a whole.

It is management's responsibility to establish and maintain the internal control system. In so doing, management assesses and weighs the expected benefits and related costs of control procedures. The system should provide reasonable, but not absolute, assurance that assets are safeguarded against loss, and that transactions are carried out as authorized by management and are recorded in a manner that will permit the subsequent preparation of reliable and proper financial reports.

Because of the inherent limitations in any internal control system, errors or irregularities may still occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation was made for the limited purpose described in the first paragraph and, thus, might not disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the internal accounting control system of the city taken as a whole. However, our study and evaluation disclosed certain conditions that we believe are material weaknesses and these findings are presented in this report.

We reviewed probable compliance with certain constitutional provisions, statutes, ordinances, and attorney general's opinions as we deemed necessary or appropriate. This review was not intended to provide assurance of full compliance with all regulatory provisions and, thus, did not include all regulatory provisions which may apply. However, our review disclosed certain conditions that may represent noncompliance and these findings are presented in this report.

During our examination, we identified certain management practices which we believe could be improved. Our examination was not designed or intended to be a detailed study of every system, procedure, and transaction. Accordingly, the findings presented in this report should not be considered as all inclusive of areas where improvements may be needed.

The State Auditor was petitioned under Section 29.230, RSMo 1986, to audit the city of St. Louis. We included those procedures necessary in our judgment to evaluate the petitioner concerns and those concerns requiring corrective action are addressed in this report.

The period of examination for the purposes stated above included, but were not limited to, the period covered by the financial statements for the year ended April 30, 1987.

1. Provisional Appointments

In accordance with Article XVIII, Section 3(g) of the city charter, city departments and divisions may make provisional appointments for a period not exceeding sixty days. They require prior approval of the Director of Personnel and are to be used when a position must be filled for which no eligible applicants are available for certification. Our review of the procedures used to make provisional appointments revealed the following areas of concern:

- A. We noted one instance where provisional appointment was made to a position for which an eligible candidate list was available. Rule VII, Section 6.(a) of the city of St. Louis Civil Service Rules states, in part:

"When a vacancy is to be filled in a position of a class for which there are no eligibles available for certification, the appointing authority, with prior approval of the Director, may make provisional appointment of any person he deems qualified."

By making provisional appointments to a position for which an eligible candidate list is available, the Personnel Department is not complying with the civil service rule VII, Section 6(a) and, consequently, the city may not be hiring the most qualified individual available.

- B. Provisional appointees are not always given a competitive examination within sixty days as required by the city of St. Louis Civil Service Rules. Of the provisional appointees we tested, approximately 20 percent were administered examinations within the prescribed sixty days, about 20 percent were given exams after the sixty-day time period expired, and approximately 60 percent of the individuals appointed on a provisional basis had not yet taken a competitive examination. Rule VII, Section 6 of the civil service rules states, "Temporary appointments without competitive tests . . . may be made . . . for not to exceed sixty (60) days in any case, which shall not be renewed or extended. Such temporary appointments shall include provisional appointments in the absence of available registers. . . ." Article XVIII, Section 3(g) of the charter of the city of St. Louis also describes procedures for making provisional appointments. Department personnel stated they were aware of their noncompliance with civil service rules and the city charter.

In addition, they indicated in some instances it is necessary to violate the rules for making provisional appointments. The positions of Special, Administrative, and Executive Assistants to

the Mayor are always made on a provisional basis. These individuals are never required to be tested according to Department of Personnel. Because these provisional appointees are never required to take an examination they are, in effect, being treated as an excepted position. Excepted positions are positions in the classified service not subject to the examination procedures for competitive appointments. According to Article XVIII, Section 1(h) of the city charter, the Mayor's office is allowed to appoint two employees to excepted positions. On April 5, 1977, a proposal to increase the number of excepted positions in the Mayor's office from two to three was submitted to and rejected by the voters of the city of St. Louis.

The procedures of making provisional appointments to the Mayor's office without requiring competitive examinations violates Article XVIII, Section 3(g) of the city charter requiring provisional appointees to be tested, and also Section 1(h) limiting the number of excepted positions allowed in the Mayor's office.

WE RECOMMEND the Department of Personnel:

- A. Approve requests for provisional appointments only when eligible candidate lists are not available for the requested position.
- B. Administer competitive examinations to provisional employees within sixty days of appointment, as required by civil service rules and the city charter.

AUDITEE'S RESPONSE

- A. The department is aware of only one instance when a provisional appointment was made when an eligible list for the class of position was concerned. This was an error. A change in classification of the position concerned did not result in a check to see if there was an appropriate existing eligible list. Normally, the department steadfastly refuses to make provisional appointments when there are current eligible lists.
- B. The department will attempt to remove provisional appointments within sixty days, as it has in the past. However, examining resources are chronically limited and we will continue to concentrate resources on vacant positions.

2. Incentive Programs

The Recruitment Incentive Program was established in December 1986 to award cash bonuses to civil service employees who refer successful applicants for targeted, difficult-to-recruit positions. The Department of Personnel has designated four positions as targeted positions. The city employee who refers the targeted position appointee receives 1 percent of the maximum annual salary for the targeted position when the appointment papers are returned to the Department of Personnel and the appointee is placed on the payroll.

During our review we noted an instance where an employee referred an individual for employment, and the individual was hired. Upon completion of the paperwork, the cash bonus voucher was sent to the Comptroller for processing. Prior to completion of the new employee's six-month probationary work period, as required by Rule 2, Section VIII of the civil service commission, the new employee was dismissed from duty.

By awarding cash bonuses prior to the successful completion of the new employee's probationary working period, the Department of Personnel could be awarding employee incentives when the city does not receive any benefit from the new employee. When the employee does not satisfactorily complete the probationary period, the city has not achieved the primary objective of the program; to locate and hire qualified employees.

WE RECOMMEND the Department of Personnel implement procedures to award cash bonuses for employee referrals after the successful completion of the probationary working period by the new city employee.

AUDITEE'S RESPONSE

As you point out, there was a recent instance wherein a recruitment bonus was paid for an employee in a targeted position, and this employee did not proceed past the working test period. This is the downside risk of paying the bonuses in the manner we do, at time of appointment. We had discussed this potential problem at the time we instituted the program, but considered the immediacy of the reward to be a more important factor than the relatively rare failure of working test period. This seemed even more logical when the probationary periods for professional and management employees were extended to eleven months.

The case you cite, however, has called that decision into question, and we now agree with you that the recruitment bonus should be paid on the successful conclusion of the working test period and the attainment of permanent status by the new employee. We will change our policy accordingly.

3. Payroll Accounting Procedures

During our review of the Department of Personnel's payroll procedures we noted the following areas where improvements could be made:

A. Segregation of Duties

One individual is responsible for maintaining employee status change forms, handling daily sign-in sheets, recording time on payroll time sheets, and submitting the payroll information to the payroll section of the Comptroller's office and, subsequently, receiving and distributing payroll checks. By allowing one individual to handle all payroll functions there is an increased risk that errors or misappropriation of payroll funds would not be detected on a timely basis should they occur. In order to reduce this risk, the department should segregate the functions of preparing and submitting the payroll data from the functions of receiving and distributing payroll checks.

B. Sick Leave Records

Sick leave balances are not updated by the payroll clerk on a monthly basis. Instead the clerk only updates the record of balances when sick leave is taken. Since sick leave balances are not kept up-to-date, the clerk cannot perform monthly reconciliations with the Comptroller's report of sick leave balances. Thus, the Department of Personnel has limited assurance that sick leave balances are accurate.

WE RECOMMEND the department:

- A. Segregate the payroll functions of preparing and submitting payroll data from functions of receiving and distributing checks.
- B. Maintain up-to-date sick leave records and reconcile balances to the comptroller's sick leave balance report on a monthly basis.

AUDITEE'S RESPONSE

- A. We have segregated the functions of preparing and submitting payroll data from the receipt and issuance of checks. These functions are handled by different persons in the Director's office.
- B. Sick leave records are being consolidated on a computer, and balances will be reconciled on a monthly basis. We expect this to be completed by January 1, 1989.

4. Moving Expense Reimbursements

The Department of Personnel reimburses individuals for moving expenses for relocation as a new city employee. The Director of Personnel requires that the new employee submit bids from three moving companies. The Director then approves the lowest bid. The department reimburses for actual moving expenses and for travel expenses associated with house hunting.

During our review we noted that the Department of Personnel has not established detailed written policies and procedures for paying moving expenses. Without specific written policies regarding moving expenses the department has no assurance that expenses are paid in a consistent manner. Thus, it is important for the department to establish a detailed, written moving expense policy.

WE RECOMMEND the department establish a detailed written policy regarding moving expense reimbursements.

AUDITEE'S RESPONSE

In conjunction with the Comptroller's office, we have drafted an administrative regulation on reimbursements of moving expenses. That draft regulation is being reviewed by our department and the Comptroller's office and should be issued by October 1, 1988.

5. Employee Assistance Contract

The city of St. Louis, through the Department of Personnel, offers an Employee Assistance Program as part of the employee benefits package offered to all city employees and family members. The program is designed to provide assistance for employees experiencing a wide range of personal problems including alcoholism, drug abuse, emotional problems, marital and financial problems, etc. The Department of Personnel has contracted with a private firm since October 1981 to provide this service to city employees. The original contract term was two years. The contract has been renewed every two years since the original bid expired in 1983. No bids from other outside agencies have been requested. The Department of Personnel stated they have been pleased with the current contractual services and have not felt the need to seek another agency.

Without periodically evaluating the terms of the contract, the Department of Personnel cannot be assured they are receiving quality services at a competitive and reasonable price. By formally evaluating the contract on a more frequent basis, the department could have greater assurance that they are receiving quality service for a reasonable sum.

WE RECOMMEND the department formally evaluate the Employee Assistance Program on a more frequent basis.

AUDITEE'S RESPONSE

We do appreciate your thoughts and recommendations concerning our Employee Assistance Program, and the manner in which the contractor is assigned. As you so correctly point out, the city has exercised its option to renew the contract on expiration, rather than to rebid the contract. This was done for several reasons:

- A. We are very pleased with the program. Utilization rate is up, and feedback from employees who have used the system is universally glowing.
- B. City employees trust the contractor. That one element took years to accomplish, and is absolutely essential to a successful program.
- C. The prices have remained competitive. We have reviewed both published data on the subject, and have coordinated with other public agencies with similar programs. Our per capita costs are well below both the area average for all comparably sized companies, and other public jurisdictions in the area.

Your recommendation to more closely evaluate the terms of the contract does have merit, however. This will be done prior to the expiration of the present contract extension in November 1989.

6. Medical Care Plan Controls

The city of St. Louis through the Department of Personnel offers city employees several voluntary health care insurance options. One of the

options offered prior to April 1988 was a group health care plan. The city and the plan participants paid the cost of the plan through direct funding by the city and payroll deductions from plan participants. The Department of Personnel contracted with a third-party administrator (TPA) in February 1980 to handle the processing and payment of claims for the plan. During our review of the city's group health care plan, we noted the following areas where the city failed to adequately monitor the performance of the TPA and failed to include all necessary controls over the bank account used to process payments of claims.

- A. The Department of Personnel did not require the TPA to perform complete bank reconciliations. As a result, the department has no assurance that the bank or book balances are correct taking into consideration the monies contributed by the city and the claims paid by the TPA.

The contract required the TPA perform a "bank reconciliation of checks cleared." The TPA, in cooperation with the bank, has performed the reconciliations required by the contract. However, the reconciliations required by the contract do not ensure the bank or book balances are correct.

Since no bank reconciliations have been performed on the account, the Department of Personnel should either require the TPA to perform a complete bank reconciliation as part of the account closeout or perform the bank reconciliation itself.

- B. The contract with the TPA did not include a provision requiring that the TPA maintain adequate collateral security for funds deposited into the bank account. Consequently, account balances exceeding the FDIC coverage of \$100,000 were not collateralized. We noted bank balances as high as \$465,160 during our audit period. All bank balances exceeded \$200,000, leaving a minimum of \$100,000 uncollateralized at all times. By not ensuring there was adequate collateral security pledged for the account, the Department of Personnel unnecessarily placed city funds at risk.
- C. The bank account established by the TPA was not interest-bearing. The Department of Personnel could have earned substantial interest on the account balance by requiring the TPA to open an interest-bearing account. The account balances during the audit period exceeded \$200,000 at all times. During the year ended April 30, 1987, the TPA deposited \$4,732,696 into the account. Assuming an interest rate of 6 percent and the \$200,000 minimum balance, the department could have earned at least an additional \$12,000 during the fiscal year ended April 30, 1987. Since this estimate is based upon the minimum balance, the amount of lost revenue could be substantially higher. The additional income could have reduced the required city funding and/or the amounts withheld from employees' wages.
- D. The Department of Personnel did not adequately monitor the claims paid by the TPA. During the year ended December 31, 1987, the TPA handled 21,067 claims totaling \$4,580,354. The department randomly

selected claims to verify the claimants were properly enrolled in the plan at the time the claim was filed. In addition, the TPA audited hospital billings with a total dollar amount greater than \$10,000 or for a hospital stay longer than thirty-one days. However, neither the TPA nor the department did any testing of claims that fell below these thresholds to ensure the dollar amount of individual claims paid was proper. Because no monitoring of these claims was performed, the department has no assurance the dollar amount of claims paid was proper. As part of the closeout of the city's self-funded medical care plan, the Department of Personnel should conduct a review of a sample of the medical care claims paid that were not reviewed by the TPA. This would increase the department's assurance that the claims paid were proper. If improper payments are discovered, the city should take appropriate action to recover the amount of the improper payments.

WE RECOMMEND the Department of Personnel:

- A. As part of the plan closeout, either require the TPA to perform or perform a bank reconciliation of the bank account used by the TPA for making payments to plan participants.
- B. Ensure adequate collateral security is maintained for all health care funds invested.
- C. Ensure city funds under the control of the department are invested in interest-bearing accounts.
- D. As part of the plan closeout, perform a review of a sample of claims paid that were less than \$10,000 and/or involved a hospital stay of less than thirty-one days to determine whether the amounts paid were proper. If the amounts paid were not proper, the department should consider seeking reimbursement as appropriate.

AUDITEE'S RESPONSE

The city of St. Louis, subsequent to your audit, changed from the self-insurance method for health care to a third-party provider arrangement. As a result, we have corrected the weakness noted with the previous type of a health care insurance plan.

Concerning your comments and recommendations as they relate to the previous TPA:

- A. We agree that as part of the plan closeout, bank reconciliations should be performed. We will be meeting with the TPA to determine who will perform the bank reconciliations.
- B&C. We have written a letter to the TPA informing them of these recommendations. We have requested that they contact the bank in writing, formally requesting that the bank account immediately be adequately collateralized and also requesting that the account be converted into an interest-bearing account.

- D. While we realize that monitoring all the claims would provide optimal control over the costs, we do not have the personnel or expertise necessary nor do we feel it would be cost-effective to perform this type of review. We will evaluate our current sampling method to determine if it would be cost-effective to the city of St. Louis to expand the current sampling method.

7. City Health Care Plan Transition

The city of St. Louis through the Department of Personnel provides health care insurance to employees. Until May 1988, the city's basic health care plan was funded through a combination of direct city contributions and withholdings from city employees' wages. On May 1, 1988, the city canceled the plan and offered a third-party provider arrangement to city employees. The transition between the plans, including the closeout of the original plan and the initiation of the third-party provider arrangement, does not appear to have been properly handled.

The Department of Personnel began the transition between the plans prior to establishing a closeout contract with the third-party administrator for the original health care plan and the third-party provider of the insurance offered to employees effective May 1, 1988. By not obtaining a contract prior to the initiation of the closeout process, there were no established responsibilities for both parties. The city was not sure of specific requirements or details of the new plan.

WE RECOMMEND the Department of Personnel establish written contracts prior to using the services of outside vendors. In addition, the department should ensure that all necessary contractual provisions are included in the contracts.

AUDITEE'S RESPONSE

The transition to the new health care provider was admittedly hurried. The city's decision making process requires numerous concurrences and the department was not able to gain all these concurrences in time to conclude a contract with the provider. However, to have done so would have delayed the city from moving to a much more financially favorable arrangement on employee health care for possibly up to another plan year.

APPENDICES

Appendix A

DEPARTMENT OF PERSONNEL
 CITY OF ST. LOUIS, MISSOURI
 SCHEDULE OF APPROPRIATIONS, EXPENDITURES, AND LAPSED BALANCES - GENERAL FUND
 YEAR ENDED APRIL 30, 1987

(U N A U D I T E D)
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	Appropriation	Expenditures	Lapsed Balance
PERSONAL SERVICE			
Salaries	\$ 1,143,001	1,134,482	8,519
Fringe benefits	222,098	221,011	1,087
Workers' compensation	63,200	61,683	1,517
Total Personal Service	<u>1,428,299</u>	<u>1,417,176</u>	<u>11,123</u>
EXPENSE AND EQUIPMENT			
Office and operating supplies	14,000	11,870	2,130
Operating expenses	57,150	55,895	1,255
Contractual services	69,000	62,558	6,442
Miscellaneous and special purpose expenses	162,734	143,892	18,842
Total Expense and Equipment	<u>302,884</u>	<u>274,215</u>	<u>28,669</u>
Total General Fund	<u>\$ 1,731,183</u>	<u>1,691,391</u>	<u>39,792</u>

Appendix B

DEPARTMENT OF PERSONNEL
CITY OF ST. LOUIS, MISSOURI
COMPARATIVE SCHEDULE OF GENERAL FUND EXPENDITURES
FIVE YEARS ENDED APRIL 30, 1987

(UNAUDITED)

	Year Ended April 30,				
	1987	1986	1985	1984	1983
PERSONAL SERVICE					
Salaries:					
Regular employees	\$ 1,110,997	1,101,834	1,026,287	1,041,655	828,558
Temporary employees	5,712	-0-	-0-	-0-	-0-
Per performance	12,375	14,056	7,803	-0-	-0-
Special personal service	3,720	5,010	5,100	6,390	5,040
Employer:					
Social security coverage	79,385	78,552	71,388	70,137	73,315
Medical insurance	56,204	46,550	45,288	37,534	-0-
Retirement contribution	65,703	63,807	95,776	-0-	-0-
Life insurance costs	8,079	6,923	6,147	8,173	-0-
Unemployment compensation	11,640	13,064	-0-	1,637,976	752,337
Workers':					
Compensation	12,197	68,253	134	-0-	-0-
Compensation settlements	49,486	-0-	-0-	-0-	-0-
Overtime	1,678	3,139	3,548	651	-0-
Total Personal Service	1,417,176	1,401,188	1,261,471	2,802,516	1,659,250
EXPENSE AND EQUIPMENT					
Office supplies	10,531	13,326	11,967	7,576	12,978
Printed supplies	-0-	-0-	-0-	-0-	751
Postage	12,350	20,400	8,725	7,345	15,000
Office services	31,372	32,466	41,341	35,915	43,000
Allowance for personal owned cars	-0-	11	230	124	-0-
Printing services	12,173	18,255	20,820	5,207	-0-
Miscellaneous contractual services	32,392	-0-	-0-	-0-	-0-
Prior year encumbrance	77,435	-0-	-0-	-0-	-0-
Miscellaneous expenses	24,363	49,495	66,907	21,415	20,962
Computer personnel record	-0-	-0-	-0-	-0-	-0-
Employee development programs	-0-	4,797	-0-	-0-	55,198
Test validations	-0-	-0-	-0-	-0-	116,171
Employee services	-0-	-0-	-0-	-0-	58,702
Safety program	-0-	475	-0-	-0-	19,114
Advertising expenses	10,141	10,169	-0-	-0-	8,978
Executive recruitment	8,096	6,864	1,153	-0-	18,912
Affirmative action expenses	-0-	335	480	-0-	55,485
Employee suggestion program	-0-	3,297	3,136	-0-	9,541
Unemployment compensation	-0-	-0-	14,580	16,994	20,000
Civil service commissioners' expense allowance	4,125	4,750	4,375	4,375	4,500
Tuition reimbursements'	19,119	21,384	16,360	-0-	16,192
Special purposes No. 12	-0-	-0-	-0-	-0-	-0-
Special purposes No. 14	-0-	-0-	-0-	-0-	-0-
Special purposes No. 16	-0-	-0-	-0-	-0-	-0-
Total Expense and Equipment	242,097	186,024	190,074	98,951	475,484
Total Expenditures	\$ 1,659,273	1,587,212	1,451,545	2,901,467	2,134,734

NOTE: For 1987, Appendix B does not include \$32,188 of encumbrances and commitments at April 30, 1987, that are included in total expenditures on Appendix A.

Appendix C

DEPARTMENT OF PERSONNEL
 CITY OF ST. LOUIS, MISSOURI
 COMPARATIVE SCHEDULE OF ADMINISTRATIVE COSTS - CITY GROUP HEALTH CARE PLAN
 FIVE YEARS ENDED APRIL 30, 1987

(U N A U D I T E D)

	Year Ended April 30,				
	1987	1986	1985	1984	1983
Salaries	\$ 95,744	104,409	88,762	77,965	72,309
Fringe benefits	18,551	18,364	24,765	14,770	5,543
Contractual services	367,997	282,292	236,571	299,265	305,680
Total Expenditures	\$ 482,292	405,065	350,098	392,000	383,532

This schedule includes only the administrative costs of the city's self-funded health care plan. Contributions are reflected in individual user department financial statements and, therefore, are not included herein.

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